

Memo to: All UH-Downtown/PS Holders  
From: Juan Sánchez Muñoz, President  
Subject: Moving and Relocation Expenses Policy

UH-Downtown/PS 05.A.25  
Issue No. 6  
Effective date: 02/01/2019  
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## 1. PURPOSE

This policy statement outlines the processes to be followed for authorization, payment, and reimbursement of moving and relocation expenses for new University of Houston-Downtown employees. The policy statement complies with the [University of Houston System Administrative Memorandum \(SAM\) 03.A.13](#) and with other state and federal laws and regulations.

## 2. DEFINITIONS

- 2.1 Household goods: Furniture, household appliances, and other items used for furnishing and maintaining a residence.
- 2.2 Personal effects: Clothing, books, and other items of a personal nature.
- 2.3 [OMB 2 CFR 200.464, Relocation Costs of Employees](#): A federal document from the Office of Management and Budget Guidance that establishes principles for determining relocation costs of employees with educational institutions.

## 3. POLICY

- 3.1 In every case, payment of moving and relocation expenses from university funds for prospective university employees must be authorized by the appropriate dean or director, and vice president prior to making any offers or commitments.
- 3.2 Normally, payment for moving and relocation expenses may be authorized only for full-time, tenured or tenure-track faculty and executive management (President, Vice Presidents, Deans) where the employee's commute to the new principal place of work must be at least 50 miles farther than the employee's commute from his or her old residence. These expenses must be paid or incurred in connection with the commencement of work at a new location and the employee must work in the new location for 39 weeks during the 12-month period following the move. This is in accordance with [SAM 03.A.13, Moving and Relocation Expenses](#). Authorization of expenses for any individual not meeting this requirement needs the prior approval of the President or his or her designee.
- 3.3 Payment of moving/relocation expenses may be made from designated funds or auxiliary funds available to the hiring department or college. Gift funds may be used only when its use is authorized by or consistent with donor intent. Payment of moving/relocation expenses from sponsored project cost centers requires the prior written approval of the

sponsor. State appropriated funds may not be used for payment of moving and relocation expenses.

- 3.4 The commitment, level of expenses authorized, and responsibility of the employee to reimburse the university if the employee leaves shall be specified in the offer letter to the prospective employee.
- 3.5 The [Authorization for Moving and Relocation Expenses form](#) shall be submitted with each moving/relocation payment document; along with a copy of the correspondence authorizing payment of moving expenses. Expenses may be added as each payment document is processed, up to the maximum amount authorized. The college/division administrator shall certify this form, ensuring the monitoring of accumulated expenditures within the approved level.
- 3.6 Normally, the maximum amount of university funds that may be authorized for moving and relocation expenses, regardless of fund source, shall not exceed an amount equal to one-tenth of the individual's annual salary, or \$10,000, whichever is greater. (Division Heads and Deans may choose to set lower limits based on the college budgeting policies.) Authorization of expenses for any individual not meeting this requirement needs the prior approval of the President or his or her designee.
- 3.7 Authorized moving expenses include the reasonable costs resulting from the moving of the faculty or staff members' household goods and personal possessions. Allowable moving and relocation expenses are restricted to the following:
  - a. Cost of one trip of up to one week in length for the employee and spouse to select housing, referred to as "house-hunting."
  - b. Transportation costs associated with moving the employee and all of the members of the employee's household as follows:
    - Lodging
    - Public transportation, such as airplane, train, bus, or rental car
    - Personal car mileage, at the standard reimbursement rate set by the Internal Revenue Service
    - Rental car gasoline)
    - Meals
  - c. Expenses for packing and moving of household goods and personal effects by an approved moving company.
  - d. Cost of employee and household members living in temporary quarters for a short period of time, not to exceed two (2) weeks, when required by the University to move to a new location before permanent housing can be found.

- e. Cost of storing personal effects during the move to a new location.
- 3.8 The following represents a sample of moving and relocation expenses that are not allowable. Other expenses may be disallowed, subject to independent evaluation.
- Costs for shipping a boat
  - Costs of more than one moving trip
  - Costs associated with breaking a lease, selling a house, or purchasing a new house
  - Baby-sitting, house-sitting, or pet-sitting costs while on house hunting trip to Houston
  - Purchases of household items in lieu of moving possessions from former residence
  - Expenses for any extraordinary insurance beyond the limits of that included under the moving vendor's contract
- 3.9 All payments for moving expenses, whether reimbursed directly to the employee or paid to a vendor on behalf of an employee, are taxable income to the employee. [Taxable Payments or Reimbursements to Employees](#), must be uploaded to the voucher and routed through the tax workflow for appropriate taxable benefit reporting. Those expenses will be reported and will appear on the employee's W-2 form as taxable income.
- 3.10 If an employee for whom moving/relocation expenses were paid by the university leaves the university within 12 months of appointment date for reasons within their control, the individual is required to reimburse the university for the amount of the relocation expenses within 90 days of termination.
- 3.10.1 As a requirement of [OMB 2 CFR 200.464](#), when relocation costs incurred incident to the recruitment of new employees have been charged to a Federal award and the employee resigns for reasons within the employee's control within 12 months after hire, the non-Federal entity must refund or credit the Federal Government for its share of the cost.
- 3.11 Nothing in this policy shall be used as the basis for discrimination or retaliation against any individual or group on the basis of race, gender, age, color, religion, national origin, disability, sexual orientation or veteran status; nor may it be construed to be a basis for circumventing equal employment opportunity laws or policies.

## 4. PROCEDURES

- 4.1 Arrangements with and Payment of Moving Companies
- 4.1.1 Upon receipt of the letter of acceptance of employment from the new employee, the responsible departmental or college/division administrator shall provide to the employee a copy of this policy statement and specific information on university contracts with moving companies.

4.1.2 If the expense is estimated to exceed \$5,001, the purchase must be processed through the Purchasing Department and follow normal purchasing procedures. If the expense is estimated at \$5,000 or under, the payment is processed through Accounts Payable. However, if the vendor requires payment for expenses under \$5,000, a purchase order can be generated by the Purchasing Department.

4.1.3 If the new employee seeks reimbursement for out-of-pocket moving expenses, receipts must be provided to the hiring department. Requests for reimbursement, with appropriate documentation, should be made no more than 60 days after the expense has been incurred.

## 4.2 Payment of Travel Costs

4.2.1 Travel-related moving expenses for house hunting, temporary quarters and storage, and the cost of transporting the new employee and members of his/her household to a new home should be reimbursed on a voucher. Original receipts, cancelled checks, credit card statements, odometer readings, or other documents that substantiate the expenses being reimbursed must be attached to the voucher, along with a completed and approved [Authorization for Moving and Relocation Expenses](#) form.

4.2.2 Requests for reimbursement, with appropriate documentation, should be submitted no more than 60 days after the expense has been incurred.

## 5. REVIEW PROCESS

Responsible Party (Reviewer): Vice President for Administration and Finance

Review: Every three years on or before June 1<sup>st</sup>.

Signed original on file in Employment Services and Operations.

## 6. POLICY HISTORY

Issue #1: 10/01/03

Issue #2: 07/11/08

Issue #3: 03/09/15

Issue #4: 08/15/16

Issue #5: 05/10/18

## 7. REFERENCES

[UH System Administrative Memorandum 03.A.13](#)  
[OMB 2 CFR 200.464, Relocation Costs of Employees](#)  
[Authorization for Moving and Relocation Expenses](#)

Taxable Payments or Reimbursements to Employees